

WHITE PAPER

NEW WORKFLOWS AND SOLUTIONS NEED ORGANIZATIONAL CHANGE MANAGEMENT



CHANGE
MANAGEMENT
.CPC

Embracing the human factor

THE SECRET SAUCE FOR SOLUTION IMPLEMENTATIONS

Every company has to deal with change processes frequently. New technology, enhanced solutions and improved workflows are being introduced at a breath-taking pace.

Such changes are sometimes decided on and enforced come hell or high water. The human factor is often not taken into account. The result: overburdening and demotivation on all fronts. Refusal and apathy result in increased errors. Moaners gain momentum and slow down the process; sickness rates rise. Finally, technology or workflow solutions are declared as having failed.

Companies that master these challenges secure the successful outcome of projects and the intended ROI. They act instead of reacting. They are capable of taking actions and demonstrate leadership. They know that good Change Management secures the path to success.

INTRODUCTION

Broadcasters are subject to constant change. No other term is so over-used as those regarding change. And Change Management is one of them. In order for new technology or workflows to be successful, Change Management is mandatory. Change Management consists of measures and activities intended to implement planned changes in organizations. If technological transition is to be successful, new strategies, structures, systems or practices must be established and implemented.

**WHY CHANGE
MANAGEMENT**



This works particularly well when the people who are involved in such processes are brought on board. Nobody is happy with a “take it or leave it” approach. Companies that are faced with technological changes but do not look out for their employees in the process of implementation are obsolete.

Whoever wants to maximize ROI brings professionals into the company. Their experience in managing change make the difference. This ensures the success of organizational change processes. New technologies and workflow solutions usually imply major changes. Many job descriptions will evolve. Executives and project managers can either sit back and let things happen passively, or be proactive and create the best outcome, thus securing the business case.

CHANGE MANAGEMENT MAKES ORGANIZATIONS SUCCESSFUL

Organizations that look for support for their change processes from the beginning have employees, co-workers and vendors on their side. Strain, sweat and a few calluses cannot tarnish the joy of team spirit and success. Not only the strong are united on a winning team, all participants pull together. The team that best prepares for the change will succeed. When major changes in businesses are accompanied professionally and strategically from the start, problems can be identified before they arise and thus be averted.

Change Management strengthens project managers and executives. Strong leaders motivate and function as role models. They retain employees, increasing loyalty to the company.

Change Management strengthens team members and co-workers. Strong employees take on new responsibilities and face challenges with dedication and commitment. Rather than only carrying out instructions, they engage in the change process. They become co-entrepreneurs.

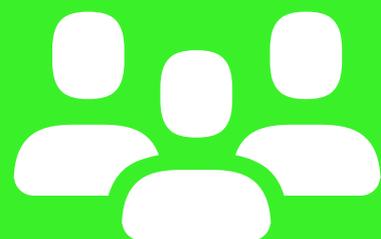
**LOVE IT,
CHANGE IT
OR LEAVE IT.**

.CPC Change Management Professionals

Before projects are initiated, CPC consultants come on board as pilots. We supervise the Change Management process from beginning to end, creating a roadmap for orientation and outlining the desired future state. The broader picture will be communicated.

Communication is given high priority in the Change Management process. In addition to developing knowledge, searching for talents and training skills, our activity is based on seamless communication. We provide for readjustment as well as help strengthen trust and build up routines. CPC is strong in methods and training formats and CPC experts know Project Management like the back of their hands. With our renowned "Reality Trainings", we provide practical solutions for immediate use.

- 1** We guide, support and enable people to successfully tackle the challenges of the changing environment at hand.
- 2** After a successful Change Management process, respect and appreciation, openness and honesty are qualities that characterize the personnel and thus the organization.
- 3** After all, who would not like to work for a company in which happy people actively contribute their strengths and fully support the change process? Everybody involved is a multiplier, an advertiser, a co-entrepreneur and a success factor.



When Change delays or fails

Organizational change takes place when companies transit from an undesirable current state to a desired future state. Rapidly evolving technology, globalization, the need to stay relevant in a brutally competitive marketplace, and other factors make rapid organizational change essential. Managing such change requires strategies that maximize the efficacy of reorganization while minimizing stakeholder resistance, a typical source of friction and slowdowns, and the cost of change.

Despite their noble aims, only 25 percent of organizational change management programs achieve their intended goals over the long term, according to a study by Towers Watson. This sobering statistic mirrors an assertion by John Kotter, a Harvard Business School professor, who observed that 70 percent of large-scale change programs do not attain their aims. Most organizational change management strategies, it seems, have much in common with gilded coffins; despite their attractive exteriors, they arouse the worst in people, thus slowing or discouraging buy-in.

This failure is the result of basing change management strategies on fallacious assumptions, argues Ray Williams, author of 'Eye of the Storm: How Mindful Leaders Transform Chaotic Workplaces.' These assumptions include the notion that leaders and change managers are always objective, the belief that change is a worthy aim on its own, and the view that change should start from outside. Such erroneous convictions often cause change initiators to significantly underestimate the time and effort needed to encourage buy-in from change leaders and other stakeholders.

Writing for McKinsey & Company, Gary Hamel and Michele Zanini identify another cause of change management failure; the belief that only executives can lead change. Unfortunately, change that is initiated through royal edict typically generates cynicism and resistance, which in turn

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slows the speed of change. Organizational renewal by executive decree can also fail because it may violate 'psychological safety,' a group culture that Amy Edmondson, a Harvard Business School professor, defines as the "shared belief held by members of a team that the team is safe for interpersonal risk taking."

Psychological safety is the assurance that a team will not punish, embarrass, or reject a member for stating their opinion. Executive decrees violate this principle by setting a tone that discourages employees at lower rungs of the corporate ladder from evincing contrary opinions. For change to be effective, therefore, the process of developing and implementing change management strategies must provide all stakeholders with the opportunity to generate options, set priorities, and diagnose problems. And rather than automatically assume that organizational renewal should be led by executives, it is far better to take time and identify the right people to drive change.

THE CONSEQUENCES OF FAILURE

When change fails, cynicism follows, and this makes renewed attempts at organizational renewal more difficult. Successive failures gradually corrode the trust and aptitude needed to execute change; for instance, according to a 2008 study by IBM, while the need to lead change is increasing, the capacity for doing so is decreasing. This creates an environment in which attempts at organizational renewal are viewed by stakeholders as a passing storm that needs to be endured until it is over. In such situations, "Here comes another flavor of the month," and, "We are lying low until this fad blows over," are typical responses.



Failure can also rob a company of its competitive edge. Perhaps worse than outright failure is change that is so slow that it bears fruit when it is too late. Change management strategies should thus be crafted and implemented in a manner that speeds up the pace of renewal while minimizing the possibility of failure.

The unique benefits of High Speed Change Management

The high speed change management paradigm addresses these and other challenges while minimizing the amount of time – and by extension, resources – necessary to achieve broad reorganization. Because of the rapidly changing nature of business operating environments, expedited organizational change processes are becoming ever more essential. However, initiators need to recognize that changing is not as simple as flipping switches; the right combination of measures need to be implemented in the correct manner to assure speed and success.

The high speed change management paradigm amalgamates a collection of proven approaches in order to accelerate renewal. The use of tried-and-tested techniques holds several advantages. First, the approach avoids the unforeseen side effects and other difficulties that typically accompany untested and partly tested methods. Such difficulties can bog down the change process, augment costs, and limit the effectiveness of change, at best, or cause catastrophic failure, at worst. The use of proven techniques also guarantees success; success, in turn, makes future efforts at organizational renewal more likely to be accepted.

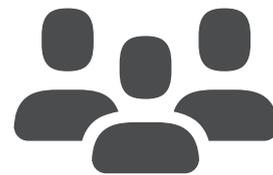
This approach to change management also avoids another pitfall that has dogged many organizational renewal strategies; lack of buy-in. This unique paradigm focuses on turning employees and other stakeholders into believers. Using this approach encourages buy-in and increases the momentum, effectiveness, and durability of change. To achieve its aims, the strategy relies on specialized solutions – business case simulations, reality training, and conference room simulations, among others – to create an environment that allows employees and other stakeholders to quickly grasp the need for change and to understand the trajectory of renewal strategies.



Among other specific outcomes, this approach enables stakeholders to get understand the intersection between broad organizational changes and individual participants, precipitates a deep desire for change, and lays a strong foundation for other stages of the change process.

This unique change management approach also solves another problem typical of many organizational renewal methods; failure to identify the right people to lead the change process. The high speed change management paradigm does not treat as axiomatic the notion that only executives can head organizational renewal, but instead seeks to correctly identify the 20 percent who bear 80 percent of the responsibility of executing change strategies and provides them with the necessary support. Long experience has shown that lower level managers typically carry the largest burden of the implementation process. By creating an enabling environment – for instance, one that provides psychological safety – and providing these and other critical stakeholders with the right resources, phases of insecurity can be dramatically shortened or completely avoided, considerably speeding up the change process. The high speed change management approach also includes a powerful affective component to hasten change process.

LONG EXPERIENCE HAS SHOWN: LOWER LEVEL MANAGERS TYPICALLY CARRY THE LARGEST BURDEN OF THE IMPLEMENTATION PROCESS.



To permanently anchor the change, CPCs high speed change management consultants consistently conduct joint activities with executives, employees, and other stakeholders to track progress, uncover areas that still need work, address any obstacles hampering renewal, and where necessary, make course corrections.

Recognizing that even small changes in one segment can dramatically affect an entire organization, the high speed change management approach also takes a holistic view of organizational renewal, helping executors avoid the risk of underestimating the consequences of their choices even as they seek to expedite change.

CHANGE

How it works

1 The high speed change management paradigm employs proven methodologies to spark, move and permanently anchor change. The initial stages of the process leverage reality training and other methods to quickly generate and empower the critical mass of stakeholders that are necessary to get the change moving. These introductory stages allow participants to understand the reason for change, provides them with critical know-how, help them see their role and value in the overall process, and provides the necessary affective capacity.

2 In the next stage, CPC consultants identify and empower the stakeholders that bear the greatest responsibility for the change process. This helps attenuate, or even completely eliminate, the emotional and other challenges that inevitably accompany change, hastening the process.

3 The next stage of the process focuses on permanently establishing change. Together, CPC consultants and stakeholders conduct regular reviews, address problems that may arise during implementation, and engage in activities designed to foster a positive collective attitude to change. In general, high speed change management expedites the organizational change process by leveraging experience, a holistic approach, and proven methods. However, executives should not conflate “speedy” with “instant;” even high speed change management requires time to execute.



Case in Point

As part of its broader restructuring process, a global telecommunications operator hired CPC consultants to introduce a business partner model – business partner, consultant, shared service, and expert – into its departments. The goals of the project were: improve collaboration, boost consultation between departments, establish the right balance in peak capacities, and transition the structure from a regional to a functional structure to improve the department’s capacity to meet the needs of other departments. The project served as a pilot for the anticipated restructuring of client’s global organization.

1 CPC consultants encountered a number of challenges during the process. The most vexing was the cynicism that employees expressed towards the project in its initial stages. Upon investigation, the experts discovered that a series of previous restructurings had dampened enthusiasm for organizational renewal in general. CPC consultants also faced difficulties while transitioning some employees from their old positions to the new roles that the restructuring mandated. Another challenge was the initial variance in involvement between management and employees. Capping these difficulties was the added complication of effecting changes in the midst of a broader corporate restructuring.

2 The change managers employed a number of approaches and tools to deal with these challenges. First, the CPC consultants set up a multi-level opportunity management program to prepare and support employees and managers in the HR department during implementation of the new model. To understand interactions between functional teams and the new model, change managers used the reality training approach to conduct experience workshops for the whole department. A variety of media was used to explain the restructuring to the entire department at the commencement of the project and a learning organization

**HIGH SPEED
CHANGE
MANAGEMENT:**

**METHODS.
IMPACT.
TIME.**



subsequently established to anchor change and support employees during the reorganization process. To buttress employees even further, CPC consultants provided continuous training and personalized coaching. CPC also established a coordination board consisting of members of the management and select employees to independently perform some tasks during the reorganization. Closing events were established to provide opportunity for reviewing progress and anchoring change.

3 A later review established that the eventual success of this change management process was anchored on a number of factors. Chief among them was the deep involvement of all employees in the program. The feedback loop, which consisted of regular stints of collective reflection and constant, honest communication with employees and management helped CPCs plan for succeeding steps of the change management process. Also contributing to the success was the close support given to functional teams as they made their first collaborations under the new model.

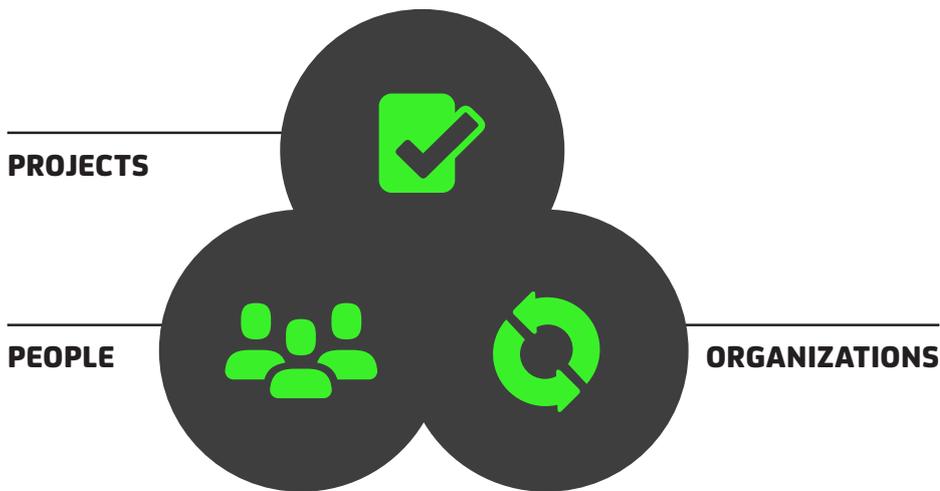
CONCLUSION

Beyond the permanent establishment of the new model, perhaps the most fitting legacy of the project was the renewed faith in change that employees and other stakeholders in the organization developed in the course of implementation. This bodes well for future restructurings in the organization.



ABOUT CPC

CPC is a leading German based change management consultancy. We are a reliable partner helping corporations and medium-sized companies create lasting change. To effect such change, we follow a holistic, customer-focused approach built around the three core competencies: **People, Projects,** and **Organizations.**



Over twenty-three years ago, CPC began its consulting business with a focus on reorganizing medium-sized companies. Today, we are a leading change partner for large corporations. The experience of our 100 consultants proves that stock solutions are not enough because every change initiative is unique. In more than 600 national and international projects, we have developed a method and format toolkit and have learned to skillfully apply it towards organizational change and to create precise, customized solutions.

CPC Unternehmensmanagement AG
The Sqaire 11
Am Flughafen
60549 Frankfurt am Main
Germany
T +49-69-56 03 03 03
F +49-69-56 03 03 05
contact@cpc-ag.de
www.cpc-ag.de/en

.CPC



 **RAINER DUNKEL**
MANAGER
M +49-173-264 03 20
r.dunkel@cpc-ag.de